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09/873,259	06/05/2001	Teruo Tanaka	NIT-278	5965

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EXAMINER	
CHENCINSKI, SIEGFRIED E	
ART UNIT	PAPER NUMBER
3691	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	09/873,259	TANAKA ET AL.	
	Examiner	Art Unit	
	SIEGFRIED E. CHENCINSKI	3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *20 March 2008*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1 and 3-10* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1 & 3-10* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☒ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

1. Claims 1, 3 & 4 are rejected under 35 U.S.C. 103(a) as being unpatentable over Huberman (US Patent 5,826,244) in view of Kinney et al. (US Patent 7,249,085 B1, hereafter Kinney), Shoham et al. (US Patent 6, 285,989, hereafter Shoham), Odom et al. (US Patent 6,058,379, hereafter Odom) and Koopersmith (US Pregrant Publication 2001/0042002 A1).

Re. Claim 1, Huberman discloses a method for an auction brokerage service provided by a computer that resides between an information terminal of a user and auction servers to perform brokerage operation for an auction. Huberman also discloses a computer automated third party broker service for administering an auction process between sellers and prospective customers (Abstract, ll. 1-2). Huberman further discloses multiple auctions (Col. 7, ll. 12-15; Col. 18, ll. 38-41) and communicating with the customer's user information terminal to notify of the auction result information (Col. 3, l. 59 – Col. 4, l. 18).

Huberman does not explicitly disclose a method for:

- Selecting information of said auction servers suitable for the user's conditions from among stored information related to said auction servers, in response to a request from said information terminal;
- Transmitting an auction registration request in the name of the user to each of the auction servers that have been selected by the user from among the selected auction servers to receive a notification that an auctioned commodity of the user has been registered at the auction servers;

- Notifying said information terminal of the auction result information and outputting the auction result, wherein said auction servers are other brokerage computers which accept bids from a plurality of information terminals for the auctioned commodity.

However, Kinney discloses "enabling each individual bidder to view a comparison of submitted bids in their own context" (Abstract, ll. 7-9), i.e. each bidder sees the other bids in real time.

Shoham discloses "multiple auctions simultaneously" (Col. 12, ll. 28-29), and the notification of the participant of the progress of a bid (Col. 14, ll. 11-16; Col. 14, l. 65 – Col. 15, l. 8; Col. 15, ll. 14-20).

Odom discloses multiple concurrent auctions (Col. 10, l. 10; Col. 10, l. 37 – Col. 11, l. 9). A preferred embodiment disclosed is in the trading of SEC listed stocks (i.e. registered equities). This auction activity is taking place during normal business hours simultaneously with auctioning of the same securities on one or more exchanges.

Koopersmith discloses a search server searching a data base of web site addresses for web sites fitting a certain word definition. Such a search is likely to bring up a number of qualified web sites, which are essentially contained in a server. Koopersmith's example illustrates a search for suppliers of toasters (page 1, [0004]-ll. 8-16). It would have been obvious to the practitioner that a similar automated search would have located servers which offer commodity auction servers which meet the seller's commodity criteria.

Selecting information of said auction servers suitable for the user's conditions from among stored information related to said auction servers, in response to a request from said information terminal is implicit in Kinney, Shoham and Odom.

Transmitting an auction registration request in the name of the user to each of the auction servers that have been selected by the user from among the selected auction servers to receive a notification that an auctioned commodity of the user has been registered at the auction servers is also implicit in Huberman Kinney, Shoham and Odom because the users implicitly are making these selections through their participation and approval. Registration of a user is implicit in each auction reference such as in Huberman and Shoham, It is obvious that registration information is

transmitted by the intermediary on behalf of the user to each auction related entity as needed since this is part of teh intermediary's service to benefit the user. It is also obvious that the intermediary is acting in the name of the user.
Hence, the disclosures by Huberman Kinney, Shoham, Odoom and Koopersmith, combined with the well known practices cited above, would have made it obvious to the ordinary practitioner to

- Selecting information of said auction servers suitable for the user's conditions from among stored information related to said auction servers, in response to a request from said information terminal;
- Transmitting an auction request to each of the auction servers that have been selected by the user from among the selected auction servers to receive a notification that an auctioned commodity of the user has been registered at the auction servers;
- Receiving auction result information from the selected auction servers;
- Notifying said information terminal of the auction result information and outputting the auction result, wherein said auction servers are other brokerage computers which accept bids from a plurality of information terminals for the auctioned commodity.

Neither Huberman, Kinney, Shoham, Odom, or Koopersmith explicitly disclose a method for auction brokerage service further comprising a step of gathering trade information of how the auctioned commodity has been bid for at the selected auction servers and notifying the other selected auction servers and notifying the other selected auction sites of the highest tendered price of the bids in order to adjust the bid prices to the highest price over all the auction sites. However, Applicant has chosen to define the notification step in the specification as meaning the option of “Specifically, the auction site monitoring section 242 may place …. Or it may alter the lower limit of the desired price of such commodity into the highest tendered price in the name of the user” (Specification, page 15, ll. 13-23). The option of changing an offer price such as the minimum acceptable price in an auction was well known at the time of Applicant’s

invention. This well known and well established practice not only has a basis as an old practice prior to the consummation of a transaction, but it is also embedded in US law. An offer may be changed or withdrawn at any time before it is legally accepted. Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosures of Huberman with the disclosures of Kinney, Shoham, Odom, Koopersmith and well known practices for the purpose of gathering trade information of how the auctioned commodity has been bid for at the selected auction servers and notifying the other selected auction servers and notifying the other selected auction sites of the highest tendered price of the bids in order to adjust the bid prices to the highest price over all the auction sites. As a result, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosures of Huberman with the disclosures of Kinney, Shoham, Odom and Koopersmith and well known practices for the purpose of providing computer automated third party multi auction brokerage services for a client through a computer link, motivated by an opportunity to establish better prices for the sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).

Re. Claim 3, neither Huberman, Kinney, Shoham, Odom, or Koopersmith explicitly disclose a step of requesting the selected auction servers to alter the desired price specified by the user according to the user's instruction when the computer has found that there is no bid for the commodity at any relevant auction sites by the date specified by the user. The practice of changing an offer price such as by reducing the offer price when there have been no offers at a given price was well known in the art of auctions and in the basic selling art in cases when an item was confirmed to have been legitimately exposed to prospective buyers ("where the commodity had been registered (in an auction) by the date specified by the user"). Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosures of Huberman with the disclosures of Kinney, Shoham, Odom, Koopersmith and well known practices for the purpose of operating a method for an auction brokerage service, motivated by an opportunity to establish better prices for the

sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).
Re. Claim 4, neither Huberman, Kinney, Shoham, Odom, or Koopersmith explicitly disclose a method for notifying the other auction sites of canceling the registration of the commodity by an auction site with which the trade has concluded. Removing an item from being offered for sale after a sale has been made is a logical step to take, and was a well established practice in the art at the time of Applicant's invention. Therefore, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have combined the disclosures of Huberman with the disclosures of Kinney, Shoham, Odom, Koopersmith and well known practices for the purpose of notifying the other auction sites of canceling the registration of the commodity by an auction site with which the trade has concluded, motivated by an opportunity to establish better prices for the sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).

2. Claims 5-10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Huberman.

Re. Claims 5 & 8, Huberman does not explicitly disclose the detailed specifics of a method and a computer used in executing by a brokerage computer residing between a user computer of an auction user and auction computers of auction organizers to perform brokerage operations for auctions, the method and system comprising steps of:
(a) receiving information about an auctioned commodity and at least one specified auction organizer from the user computer;
(b) sending the information about the auctioned commodity to the auction computers of the specified auction organizers;
(c) gathering trade information of how the auctioned commodity has been bid for at the specified auction site;
(d) tendering the other auction computers of the highest bid price of the bid prices in the name of a substitute in order to adjust the bid prices to the highest price over all the auction computers; and

(e) taking an action in accordance with conditions specified by the user computer if the brokerage computer has found that there is not bid for the commodity at any auction computers by the date specified by the user including notifying said user computer of the auction result information and out putting the auction result, wherein said auction computers are other brokerage computers which accept bids from a plurality of other computers for the auctioned commodity.

However, at the time of Applicant's invention, please refer to the rejection of claim 1 for rejection background fundamentals regarding a method executed by a brokerage computer residing between a user computer of an auction user and auction computers of auction organizers to perform brokerage operations for auctions. Further,

(1) Use of third party service providers or brokers performed through computer automated methods and means was well known (Huberman, Col. 1, ll. 35-40).

(2) Offering of commodities on multiple parallel auction services was well known (See the rejection of claim 1).

(3) The various tasks to be performed by a third party service provider for a customer within the scope of the assignment, including communications tasks and other steps, was implicit and obvious to the performance of a third party service.

In this case, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Huberman with Kinney, Shoham, Odom and Koopersmith for the purpose of providing the service of an auction brokerage operation for a user customer, motivated by an opportunity to establish better prices for the sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).

Re. Claims 6 & 9, Huberman does not explicitly disclose the detailed specifics of a method and means for execution comprising a step of requesting the auction sites to alter the desired price specified by the user according to the instruction of the auction user if no bid has been found by the specified date. However, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have notify the computing environment at the side of said auction organizers of alternation of the desired price according to the instruction of the auction user if no buyer has been found

for said auctioned commodity at all of said auction organizers by the date specified by the auction user for the reasons stated in the rejection of claim 3. Therefore, an ordinary practitioner of the art at the time of Applicant's invention would have found it obvious to combine the disclosures of Huberman with the disclosures of Huberman with Kinney, Shoham, Odom and Koopersmith for the purpose of requesting the auction sites to alter the desired price specified by the user according to the instruction of the auction user if no bid has been found by the specified date, motivated by an opportunity to establish better prices for the sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).

Re. Claims 7 & 10, Huberman does not explicitly disclose the detailed specifics of a method comprising a step of notifying the other auction sites of canceling the registration of the commodity but an auction site with which the trade has concluded. However, it would have been obvious to an ordinary practitioner at the time of Applicant's invention to have notify the computing environment at the side of said auction organizers of cancellation of registration when any buyer has been found at any of said auction organizers and the auction is terminated for the reasons stated in the rejection of claim 4, motivated by an opportunity to establish better prices for the sale of commodities through a more efficient auction process through electronically networked, highly automated, brokered auctions (Huberman, Col. 2, ll. 50-51, 55-56).

Response to Arguments

3. Applicant's arguments received on March 20, 2008 with respect to claims 1 and 3-10 have been fully considered but they are not persuasive.

ARGUMENT A: "The present invention is not associated with multiple independent auctions. It develops a single auction into a network of associated auctions conducted by the selected auction servers and coordinates the auction operations to bring the auction into a single unified result to be presented to the user. It is clear that the present

invention does not handle "multiple auctions" in the sense that the cited reference refer to."(p. 9, ll. 8-12; p. 8, l. 24—p. 9, l. 12).

REMARKS: The above rejection presents references and rationale for a single auction conducted through a network as claimed in amended claims 1, 5 and 8. Huberman discloses a "multiple process with a single auction" in col. 7, ll. 13-14. The Odom reference discloses the trading of SEC listed stocks. A given share or block of shares of a given stock, a commodity, is presented through a brokerage server to many auction servers, and the highest bid(s) from any participating auction server are continuously tendered to other auction sites in the network of auction servers, with the exchange's server in the role of the claimed brokerage server. A stock exchange system is merely a more complex version of what Applicant is claiming. It must also be noted that the examiner is only using narrow teachings and suggestions from each reference. Unlike in the scientific arts such as in chemistry, it is not required to take any additional aspect of a disclosure involving business methods and computer automated systems with the narrow teaching because the narrow teachings can be applied by themselves to solve another problem ,and the examiner has not done so. The examiner is charged with finding the prior art which would have led the ordinary practitioner at the time of Applicant's invention to solve the problem.

ARGUMENT B: "Because the cited references do not teach the brokerage computer of the present invention, they fail to suggest it acting as a substitute who tenders to the other auction sites the highest tendered price of the bids."(p. 10, ll. 4-6p. 9, l. 13 – p. 10, l. 6).

"Regarding claims 5 and 8, predicated on (1) the presence of a service provider or broker, (2) multiple auctions, and (3) various task performed by the broker, the Examiner has concluded that the present invention is obvious in light of the cited references. However, it is evident that the brokerage computer in the present invention is the one totally different from the conventional brokers these references disclose."(p. 10, ll. 7-11; p. 8, l. 21 – p. 10, l. 11).

REMARKS: The cited references in an obviousness do not have to teach the specific brokerage computer of the present invention. Applicant's argument is more appropriate for an anticipation rejection. The US Supreme Court in the April, 2007 KSR decision, cited the following as a way to summarize the examiner's mission:

"The Court noted that "[t]o facilitate review, this analysis should be made explicit. *Id.* (citing *In re Kahn,* 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006)) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness"). However, "the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ." *Id.* at 1741, 82 USPQ2d at 1396. "
The court also added "common sense" to the considerations to be followed by the examiner.
In the instant case, he above rejection of claims 1, 5 and 8 presents thorough rationale as to why the claimed limitations are disclosed and suggested by the combination of Huberman, Kinney, Shoham, Odom and Koopersmith and the ordinary practitioner's own knowledge.

ARGUMENT C: " There is no suggestion or motivation in any of the cited Huberman, Kinney, Shoham, Odom and Koopersmith references as well as in the alleged "well known practices" of the prior art that would lead a person of ordinary skill in the art to combine their teachings in the manner done so by the Examiner to find the present invention as now claimed obvious."(p. 10, ll. 12-15 ; p. 10, l. 12 – p. 11, l. 10).

REMARKS:

Courts have given the following examination guidelines in regard to obviousness analysis by an examiner:

(a) 'references are evaluated by what they suggest to one versed in the art, rather than by their specific disclosures'. ***In re Bozek***, 163 USPQ 545 9ccpa) 1969'.

(b) 'there is no requirement that a motivation to make the modification be expressly articulated. The test for combining references is what the combination of disclosures

taken as a whole would suggest to one of ordinary skill in the art'. ***In re McLaughlin*** 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971).
In the instant case, the examiner has presented substantial rationale regarding the reasons why an ordinary practitioner would have found it obvious to have combined his own knowledge with the disclosures of the prior art references in developing teh claimed invention.

ARGUMENT D: "To the extent that Applicants' invention allegedly is obvious, it could only be obvious when viewed with the hindsight of Applicants' teachings and would require a total reconstruction of the various cited references to arrive at Applicants' invention."(p. 11, ll. 11-13; p. 11, l. 11 – p. 12, l. 9).
REMARKS:
Courts have given the following examination guidelines in regard to obviousness analysis by an examiner:
Applicants may argue that the examiner's conclusion of obviousness is based on improper hindsight reasoning. However, "[a]ny judgement on obviousness is in a sense necessarily a reconstruction based on hindsight reasoning, but so long as it takes into account only knowledge which was within the level of ordinary skill in the art at the time the claimed invention was made and does not include knowledge gleaned only from applicant's disclosure, such a reconstruction is proper." ***In re McLaughlin*** 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971).
The examiner believes that he has followed these guidelines in the instant case.

Conclusion

4. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Alexander Kalinowski, can be reached on (571) 272-6771.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

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or Faxed to (571*)273-8300* [Official communications; including After Final communications labeled "Box AF"]

or Faxed to *(571) 273*-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

June 6, 2008

/Narayanswamy Subramanian/

Primary Examiner, Art Unit 3691